

B.F. Goodrich Canada Limited

Executive Offices, Kitchener, Ontario

(519) 742-3641

Manufacturing Plants

BFG Cellular Products Plant	BRAMALEA, Ontario
BFG Chemical Canada	NIAGARA, Ontario
BFG Cellular Products Plant	NORTH VANCOUVER, B.C.
BFG Chemical Canada	SHAWINIGAN, Quebec
BFG Cellular Products Plant	WATERVILLE, Quebec
BFG Commercial Products Plant	KITCHENER, Ontario
BFG Silvertown Tire Plant	KITCHENER, Ontario

Branch Offices

CALGARY, Alberta	3500-7th Street S.E.
EDMONTON, Alberta	6035-97th Street
MONCTON, N.B.	106 Beaverbrook Street
MONTREAL 309, Quebec	5430 Ferrier Street
TORONTO, Ontario	50 Jutland Road
VANCOUVER 12, B.C.	3434 Cornett Road
WINNIPEG, Manitoba	1111 Ellice Avenue

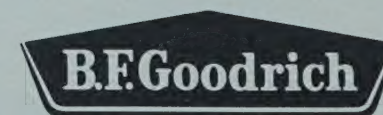
Recap Plants

MONTREAL, Quebec	5430 Ferrier Street
WESTON, Ontario	11 Wilby Crescent
WINNIPEG, Manitoba	1111 Ellice Avenue



*... where the pursuit of
excellence is a way of life.*

Financial Summary of Operations

B.F. Goodrich Canada Limited**1973**

BFG CANADA

The enclosed financial summary of operations for B.F.Goodrich Canada Limited in 1973 shows a continuing growth in sales and income which the Company has enjoyed for the past several years.

Net sales increased to \$129.98 million from \$109.27 million in 1972, representing a 19 percent increase over the previous year, while income increased 30 percent to \$5.41 million from \$4.15 million in 1972. This was accomplished in spite of critical raw material shortages and sharply rising cost increases.

Demand for radial tires, plastic resins, industrial and cellular products has continued to exert strong pressure on our production capacity. It has been the policy of BFG Canada to retain earnings to meet future expansion requirements. As in each of the previous four years, we paid dividends of \$324,068 (representing about 6 percent of 1973 income).

The outlook for 1974, despite the uncertainties associated with the energy crisis and inflation, remains optimistic and at least comparable to 1973 levels. The introduction of the Golden Lifesaver self-sealing radial tire, Arctic Flex hose, Latex and Urethane cushioning, and other new products demonstrates the innovative character of B.F.Goodrich for which we see many exciting opportunities in Canada. We acknowledge the contributions by our employees and the continuing support of our suppliers and customers in BFG Canada's continuing progress.

GERARD ALEXANDER
Chairman

PETER B. MASON
President

B.F.Goodrich Canada Limited BALANCE SHEET

ASSETS	December 31	
	1973	1972
Current Assets		
Cash	\$ 362,000	\$ 716,000
Accounts and Notes Receivable		
Less: Allowance for doubtful accounts	20,038,000	18,621,000
Inventories	31,148,000	25,579,000
Prepaid Expenses	357,000	274,000
TOTAL CURRENT ASSETS	\$51,905,000	\$45,190,000
Notes Receivable and Investments	1,007,000	680,000
Property		
Land, buildings, machinery, equipment and leasehold improvements	80,058,000	67,513,000
Less: Allowance for depreciation and amortization	44,872,000	41,437,000
TOTAL NET PROPERTY	\$35,186,000	\$26,076,000
	\$88,098,000	\$71,946,000
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Notes Payable and Bank Loans	\$ 8,258,000	\$ 2,000,000
Accounts Payable and Accrued Expenses	16,092,000	14,600,000
Federal and Provincial Taxes on Income	37,000	522,000
Long-Term Debt Payable within one year	1,502,000	960,000
TOTAL CURRENT LIABILITIES	\$25,889,000	\$18,082,000
Long-Term Debt Payable After one year	18,556,000	17,975,000
Deferred Income Taxes	4,286,000	1,607,000
Shareholders' Equity		
Contributed Surplus	2,544,000	2,544,000
Common Stock (Without Par Value)		
Authorized 25,000 shares		
Issued 24,458	4,584,000	4,584,000
Income Retained in the Business	32,239,000	27,154,000
TOTAL SHAREHOLDERS' EQUITY	\$39,367,000	\$34,282,000
	\$88,098,000	\$71,946,000

STATEMENT OF INCOME

	Year Ended December 31	
	1973	1972
Net Sales	\$129,983,000	\$109,270,000
Other Income—Net	348,000	278,000
	\$130,331,000	\$109,548,000
Deduct:		
Cost of Products Sold, Selling and General Administrative Expenses	\$119,136,000	\$100,855,000
Interest Expense	1,758,000	1,177,000
Federal and Provincial Income Taxes	4,028,000	3,362,000
	\$124,922,000	\$105,394,000
NET INCOME	\$ 5,409,000	\$ 4,154,000

STATEMENT OF SHAREHOLDERS' EQUITY

	Contributed Surplus	Common Stock	Income Retained in the Business
Balance at December 31, 1972			
Shares	—	24,458	—
Dollars	\$2,544,000	\$4,584,000	\$ 27,154,000
Add: Net Income for the Year 1973	—	—	\$ 5,409,000
Deduct: Cash Dividends Paid	—	—	\$(324,000)
Balance at December 31, 1973			
Shares	—	24,458	—
Dollars	\$2,544,000	\$4,584,000	\$ 32,239,000